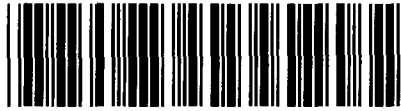




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BEFORE THE STATE OFFICE

W. A. R. 1911

FILED CLERK

ADMINISTRATIVE HEARINGS

SOAH ORDER NO. 10

SEVERING AND REMANDING

THE BAKERSFIELD-TO-SOLSTICE APPLICATION

At the hearing on merits on February 19, 2019, LCRA Transmission Services Corporation (LCRA TSC) and AEP Texas Inc. (AEP Texas) (jointly Applicants) moved to sever and remand the Bakersfield-to-Solstice portion of this consolidated docket. Having considered the motion, the Administrative Law Judges (ALJs) find it to have merit. Specifically, the ALJs find that the issues concerning the Bakersfield-to-Solstice Project have been settled, are not contested, and can be resolved by the Public Utility Commission of Texas (Commission or PUC) without the need for a proposal for decision. In support of their motion to sever and remand, Applicants filed the following documents on February 19, 2019: Unanimous Stipulation on Routing of the Bakersfield-to-Solstice Project within Pecos County (Routing Stipulation), Unanimous Stipulation Concerning Need for the Proposed Projects, Applicants' Settlement Testimony and Exhibits of Sonya Miranda (regarding the agreed route), Proposed Orders, and a Service List Segregated by Docket Number. A missing signature page from the Routing Stipulation was added through an additional filing on February 20, 2019.

PUC Docket Nos. 48787 (the Bakersfield-to-Solstice Project) and 48785 (the Sand Lake-to-Solstice Project) were consolidated on November 15, 2018, into Consolidated PUC Docket No. 48785 and Consolidated State Office of Administrative Hearings (SOAH)


Docket No. 473-19-1265 in accordance with the requirements of Public Utility Regulatory Act § 37.0541. As explained in Ms. Miranda's settlement testimony, both projects in the consolidated docket have been designated by the Electric Reliability Council of Texas (ERCOT) as critical to the reliability of the ERCOT system. Applicants have a targeted energization date of December 2020 for the Bakersfield-to-Solstice Project. To acquire the rights of way (ROW), design the transmission line and substation facilities, procure equipment and materials, clear the ROW, and construct the line and station upgrades by the end of 2020, Applicants have indicated that every day saved in obtaining a final order from the Commission is critical to achieving the aggressive construction schedule. In addition, Ms. Miranda testifies that the settled route for the Bakersfield-to-Solstice Project does not overlap with any of the proposed routes for the Sand Lake-to-Solstice Project because both projects terminate into Solstice station, and will not limit or affect the choice of available routing options for the Sand Lake-to-Solstice Project. Because all issues involving the Bakersfield-to-Solstice Project have been settled and are not contested, and due to the benefits to be gained by obtaining a prompt ruling from the Commission on whether to commence this Project, the ALJs find it appropriate to sever the Bakersfield-to-Solstice application and related supporting documentation from this consolidated docket and place it back into its original Commission Docket No. 48787/SOAH Docket No. 473-19-1266, and return this matter to the Commission for consideration of this critical project as promptly as possible.

It is therefore ordered that the portion of this consolidated docket concerning the Bakersfield-to-Solstice Project, originally docketed separately as PUC Docket No. 48787/SOAH Docket No. 473-19-1266, is **SEVERED** from PUC Docket No. 48785/SOAH Docket No. 473-19-1265, **REMANDED** to the Commission for consideration of the parties' settlement as reflected in the Unanimous Need Stipulation and the Unanimous Route Stipulation admitted into the record in this docket, and **DISMISSED** from the SOAH docket. Procedurally, this will result in the application filed by LCRA TSC and AEP Texas being removed from Docket No. 48785 and reinstated in original Docket No. 48787, and Docket No. 48787 being returned to the Commission for consideration as a settled case. The administrative record for Docket No. 48787 shall include all filings and orders in the original separate docket, all filings to date in

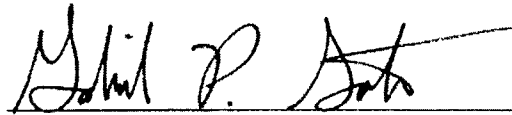
consolidated Docket No. 48785, and the evidence admitted at the hearing on February 19, 2019. Evidence supporting the need phase for both projects was admitted into the record through SOAH Order No. 6 issued on February 8, 2019, as the direct testimony and supporting exhibits of Brent R. Kawakami.

An electronic version of the proposed final order agreed to by the parties in severed Docket No. 48787 shall be submitted to the Commission via cadmorders@puc.texas.gov. Any future filings dealing solely with the Bakersfield-to-Solstice Project shall be filed only in PUC Docket No. 48787, with the original style of that docket. Similarly, all future filings that pertain solely to the Sand Lake-to-Solstice Project shall be filed in Docket No. 48785, with the original style of that docket. Future filings in either docket shall be served only the parties who are parties to the applicable un-consolidated docket in accordance with the list included on the last page of the letter filed by the Applicants in this docket on February 19, 2019.

SIGNED February 21, 2019.



STEVEN H. NEINAST
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE HEARINGS



GABRIEL P. SOTO
ADMINISTRATIVE LAW JUDGE
STATE OFFICE OF ADMINISTRATIVE HEARINGS